



Legislation Details (With Text)

File #:	19-412	Version:	1	Name:	Appraisal and Sale of 320 Warner Milne Rd.
Type:	Communication	Status:		Status:	Agenda Ready
File created:	6/24/2019	In control:		In control:	City Commission
On agenda:	7/3/2019	Final action:		Final action:	
Title:	Appraisal and Sale of 320 Warner Milne Rd., Occupied by the Police Department, Code Enforcement, and Municipal Court				
Sponsors:	James Band				
Indexes:					
Code sections:					
Attachments:	1. Staff Report, 2. June 2019 Appraisal				

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Appraisal and Sale of 320 Warner Milne Rd., Occupied by the Police Department, Code Enforcement, and Municipal Court

BACKGROUND:

The new police, municipal court, and commission chambers facility project is underway with a target completion date of August 2020. A significant portion of the budget for that project will come from the sale of the current facility, located at 320 Warner Milne Rd., Oregon City. The police chief has received several unsolicited inquiries about the current facility for purchase.

In 2016, the police department paid for an appraisal of the building and property referred to as 320 Warner Milne Rd., which came in at \$2,400,000. A new appraisal of that location was done in June of 2019 by Collier's International, the same firm that completed the first appraisal. This updated appraisal put the current value at \$3,120,000.

Like home sales, commercial realtors are paid 5-6% in commissions. If this property sold at the appraised value, that would be \$156,000-\$187,200.

Because of the interest in the building and property, the police chief intends to post it for sale by owner in order to avoid paying the substantial commission. Sale of the property would be facilitated with the help of the city attorney, who has already approved this plan. The sale posting would be a solicitation of offers based on purchase price, sale terms, and terms of lease-back. The lease-back would enable police and court staff to rent the building from the new owners until the new facility is completed.